

INSURANCE INFORMATION ALERT

TO: ALL CFSA MEMBER FAIRS
FROM: Charlie Mitchell, Risk Manager
SUBJECT: Liquor Liability Insurance Requirements
DATE: June 27, 2003

Many fair contracts, at fairtime as well as interim events, involve the sale of alcoholic beverages. These beverages which require an Alcoholic Beverage Control (ABC) license to sell include beer, wine and liquor. The minimum General Liability insurance limit required for sellers of alcoholic beverages is \$1,000,000.

This ALERT is to notify all CFSA member fairs that in addition to General Liability insurance, sellers of alcoholic beverages are also required to carry Liquor Liability insurance with minimum limits of \$1,000,000. General Liability insurance does not cover losses arising from the sale of alcoholic beverages. Many sellers may already have Liquor Liability insurance coverage. But if not, the CFSA Special Events Program offers Liquor Liability protection for an additional fee with prior approval.

Because this requirement may not have been clear in the past, we have revised CFSA's Insurance Requirements form to include the Liquor Liability coverage requirement. This revised form will replace the existing CFSA Insurance Requirements form issued in May 2002. In addition, a new General Provisions section has been added to further define the requirements for all insurance coverages. **Please remember, CFSA's Insurance Requirements must be made a part of all STATE AND COUNTY fair contracts and rental agreements, including any extensions of contracts and rental agreements, entered into by a CFSA member fair.**

And, don't forget, **ALL CONTRACTS INVOLVING HAZARDOUS ACTIVITIES AND EVENTS (such as medical services) MUST BE SENT TO CFSA FOR VERIFICATION OF REQUIRED INSURANCE COVERAGE.** CFSA's review process ensures that the insurance certificate the fair receives complies with the minimum liability insurance limits and the additional insureds requirements. We work directly with the appropriate insurance agency to resolve any identified problems.

We're here to assist with your insurance coverage issues - call me at (916) 263-6150 or Lianne Lewellen, CFSA's Risk Analyst, at (916) 263-6145.

Attachment

NOTE: Please file this ALERT under General Liability Section 3, General Liability Memorandum, in your Claims & Loss Reporting Guide - 3rd Edition (The CFSA "Red Book"). Make copies of the Insurance Requirements form for use with all fair contracts & rental agreements.